

WHEAT REFERENDUM.....

The 1963 Ohio Vote
and
Farm Policy Implications

by John S. Bottum



DEPARTMENT of AGRICULTURAL ECONOMICS
and RURAL SOCIOLOGY
OHIO AGRICULTURAL EXPERIMENT STATION
WOOSTER, OHIO

JUNE, 1963

AN ANALYSIS OF THE OHIO VOTE IN THE 1963 WHEAT REFERENDUM AND FARM POLICY IMPLICATIONS

by
John S. Bottum
Assistant Professor
Agricultural Policy

Introduction

This analysis is based primarily upon data collected from a survey conducted by the Department of Agricultural Economics and Rural Sociology of the Ohio Agricultural Experiment Station just prior to the May 21, 1963 wheat referendum. On May 7 questionnaires were mailed to 8.3 per cent of the farmers with 1964 wheat allotments in six Ohio counties. These counties and the wheat growers within the counties were randomly selected to represent Ohio wheat growers. Of the 1,002 questionnaires mailed, 354 were completed and returned before the referendum, and they provide the data for this analysis.

Voting Intentions

Ohio wheat growers that were questioned in the pre-election survey indicated they would vote about 3 to 1 against the proposed marketing quota for the 1964 wheat crop. Ohioans actually voted 23 per cent "Yes" and 77 per cent "No" in the referendum or within one per cent of that which the survey indicated.

In a referendum of this kind there is always much speculation as to who voted "Yes" and who voted "No." It is generally hypothesized that the "Yes" voters in this referendum were the farmers with large acreage allotments, members of Grange, Farmers Union and N. F. O., and Democrats. Producers with small acreage allotments, Farm Bureau members, and Republicans are generally hypothesized to have been the "No" voters. However, this study indicates that these hypotheses do not hold to any significant extent and that there is far from unanimity within these groups.

Wheat Allotments

Farmers with 1964 wheat allotments of less than 15 acres, who until this year were not eligible to vote, planned to vote 22 per cent "Yes" in the referendum. This was almost the same as the producers with allotments of 15 acres or more who planned to vote 26 per cent "Yes" (Table 1).

The producers with allotments of 50 acres or more planned to vote 42 per cent "Yes." However, there are relatively few of these producers in Ohio as well as in the nation.

Farm Organization Memberships

Members of the Farm Bureau and Grange did not fully adhere to their organization's stand on the referendum. In fact the members of these two organizations, who supposedly had divergent views on the referendum, voted quite similarly. Twenty-one per cent of the Farm Bureau members and 35 per cent of the Grange members favored the proposed program.

Of the eight N. F. O. members who replied to this question, four favored the "Yes" vote and four the "No" vote. All six of the Farmers Union members who replied favored the "Yes" vote. It should be pointed out, however, that the number of responses from members of these two organizations is too small to be at all conclusive.

Political Party Affiliation

Of those producers who indicated that they were registered as Republicans, 17 per cent planned to vote "Yes." Those who indicated they were registered as Democrats implied a 44 per cent "Yes" vote in the referendum. Of the 18 per cent who indicated they were not registered in a political party, 13 per cent favored the "Yes" vote.

Other Characteristics

Age of the operator, his tenure arrangement and the type of farm he was operating appeared to have only slight influence on his voting in the referendum (Table 1).

Reasons for Voting Yes and No

Farmers favoring a "Yes" vote in the referendum generally felt that the supply-management program was necessary in order to control production and assure a fair price for wheat. This is exemplified by the following statements, which are typical of the reasons given for voting "Yes":

"Shouldn't raise a product in excess of demand." "We need price supports; if not, a great number of farmers will be bankrupt." "The farmer is entitled to a reasonable margin of profit." "Can't produce wheat for 50% of parity." "My better judgment tells me not to vote for government controls but from present dollar and cents standpoint, I have to vote yes." And, "Until farmers regulate their own production, government must, however poorly."

Farmers favoring a "No" vote in the referendum generally did so because they opposed expanding government control, wanted to let the free market operate, desired freedom to farm or felt the program too expensive.

Table 1. Vote Favored by Farmers in the Wheat Referendum by Groupings, 354
Randomly Selected Wheat Growers in Six Ohio Counties, May 1963.

Grouping	Vote Favored		Vote Favored		
	Yes	No	Yes	No	Undecided or No Answer
	(Per	Cent)	(Number)*		
1. All Farmers	24	76	73	232	49
2. 1964 Wheat Allotment					
a. All with less than 15 acres	22	78	34	118	34
b. All with 15 acres or more	26	74	37	104	11
c. Size group (acres)					
1) 0.1 - 4.9	19	81	5	22	6
2) 5.0 - 9.9	28	72	13	34	13
3) 10.0 - 14.9	21	79	16	62	15
4) 15.0 - 24.9	23	77	12	40	9
5) 25.0 - 49.9	18	82	9	42	1
6) 50.0 - 99.9	41	59	12	17	1
7) 100.0 or more	44	56	4	5	0
3. Member of:					
a. Farm Bureau	21	79	34	131	12
b. Grange	35	65	16	30	7
c. Farmers Union	100	0	6	0	0
d. N. F. O.	50	50	4	4	2
4. Registration Indicated as:					
a. Republican	17	83	28	135	18
b. Democrat	44	56	39	49	12
c. Not registered	13	87	6	39	15
5. Age					
a. Under 35	17	83	7	35	3
b. 35 - 44	23	77	16	55	8
c. 45 - 64	26	74	42	118	28
d. 65 and over	26	74	8	23	9
6. Tenure					
a. Owner-operator	23	77	48	157	37
b. Landlord	12	88	2	14	2
c. Tenant	26	74	15	43	6
d. Part-owner	29	71	7	17	2
7. Type of Farm					
a. Cash grain	19	81	18	77	10
b. Livestock	21	79	13	49	6
c. Dairy	29	71	13	32	11
d. General	29	71	15	36	10
e. Off-farm employment	26	74	11	31	10

*Sum of numbers within and between tables does not always agree because some farmers did not reply to all the questions.

Many preferred a program other than the "Yes" or "No" vote program, and a few felt there was no surplus of soft red winter wheat. The following are typical statements made by those favoring a "No" vote:

"Government should gradually get out of the wheat business." "Not for complete controls. Would like to see our government out of agriculture as much as possible but still want a reasonable amount of protection so we will never return to conditions of the 1930's." "Let supply and demand take over and return the buffalo lands to the buffaloes." "Too much government control. Program is too expensive." "Always voted 'Yes' in the past, but this year I shall vote 'No'." "Not sold on idea of a surplus in soft winter wheat." "I feel all farm legislation will be based on this vote." "I feel it will lead to future government controls in agriculture." And, "If a farmer can't make it without government help, he better grab a lunch pail and let someone else do the farming."

Wheat Referendum Information Provided

Organizations Providing Information

There is no doubt that more information was made available to farmers on the issues involved in this wheat referendum than in any previous referendum. This study indicated that 70 per cent of the wheat growers had received information from ASCS that they considered useful and of major importance for making their voting decisions (Table 2). Fifty-two per cent mentioned Farm Bureau; 25 per cent, the Ohio Grain and Feed Dealers Association; and 18 per cent, the Extension Service, as having provided them with important information. The Grange, Farmers Union, and N. F. O. were mentioned by 8, 3, and 2 per cent of the farmers respectively. Only 9 per cent of the growers did not report receiving useful information from at least one of the above organizations.

Sources of Information

The majority of the producers reported that they had received referendum information of major importance from various mass media sources. Fifty-one per cent said they had obtained the information from magazines; 46 per cent said from newspapers; and 16 per cent said from radio or television. Nineteen per cent reported that they had received important wheat referendum information by attending one or more meetings.

The study indicates that nine per cent of the producers attended meetings sponsored by the ASCS, and two per cent attended meetings sponsored by the Agricultural Extension Service.

Farm Bureau had the most extensive wheat referendum educational program of any of the farm organizations. Nine per cent of the producers

attended Farm Bureau sponsored meetings. Grange sponsored meetings were attended by about one per cent of the producers. Three per cent of the wheat growers attended meetings sponsored by other groups and organizations.

Extension Service Educational Program

The Ohio Agricultural Extension Service conducted a major educational program on the wheat referendum with the objective of presenting information that would help wheat producers make decisions concerning the wheat referendum as well as other farm programs. Every effort was made by the Extension Service to be objective and unbiased.

A summary by Barr of the Extension educational program shows that the Ohio Extension Service sponsored 129 meetings on the wheat referendum during April and May.^{1/} These meetings were attended by approximately 6,250 people. In addition Extension agents acted as the resource persons at another 156 meetings which were attended by approximately 5,975 people.

The State Extension Office of Information prepared seven news releases on the referendum. One or more of these releases were carried in 180 newspapers with an estimated circulation of 2.6 million. Extension agent prepared news releases were carried in 184 papers with an estimated circulation of 2.3 million.

Three articles on the wheat referendum by Extension Economists Wallace Barr and John Bottum appeared in the May 4, 1963 issue of The Ohio Farmer, which has a circulation of 148,000 and is received by nearly all of the farmers in Ohio. Articles also appeared in the April and May issues of "Timely Economic Information for Ohio Farmers." Ten thousand copies of a 35-page bulletin written for leaders^{2/} and 10,000 copies of a brochure on the wheat referendum^{3/} were distributed to farmers and others interested in farm policy and the wheat referendum.

A series of ten radio tapes prepared by the Ohio Extension Service was carried on 14 radio stations with an estimated listening audience of 305,000. In addition, Extension agents prepared 107 radio tapes. Thirty stations with an estimated audience of 462,500 carried one or more of these.

With the extensive educational program which was conducted by the Extension Service, the appropriate question is "Why did only 18 per cent of the growers who were surveyed report that they had received wheat referendum information of importance from the Extension Service?" An answer is at least partly indicated by previous studies which have shown that readers are often not aware of the source of the information that they have read. This would be because they did not remember the source or because

^{1/} Barr, Wallace, "Evaluation Summary of the Ohio Extension Wheat Referendum Educational Program," Ohio Agricultural Extension Service, (Columbus, Ohio, May 1963).

^{2/} Barr, Wallace, and John Bottum, "The 1964 Wheat Referendum--Some Considerations," MM-217, Agricultural Extension Service (Columbus, Ohio, April 1963).

^{3/} "Wheat--The Situation, Government Program, Choices for 1964," Federal Extension Service, USDA (Washington, D. C., March 1963).

Table 2. Sources and Organizations Providing Information Which Farmers Considered Important for Making Their Wheat Referendum Voting Decisions, 354 Randomly Selected Wheat Growers in Six Ohio Counties, May 1963.

1. Organizations Providing the Information	Percent of Farmers Receiving Information From the Organizations
a. ASCS	70
b. Extension Service	18
c. Farm Bureau	52
d. Farmers Union	3
e. Grain & Feed Dealers Assoc.	25
f. Grange	8
g. N. F. O.	2
	Percent of Farmers Receiving Information From the Source
a. Newspapers	45
b. Magazines	51
c. Leaflets	29
d. Radio or Television	16
e. Private Discussions	28
f. Meetings	19
	Percent of Farmers Attending Meetings
a. ASCS	9
b. Extension Service	2
c. Farm Bureau	9
d. Others	4

the source was never given. Often the direct source to farmers has been influenced by Extension's educational program, even though Extension may not have reached the farmer directly. These could be the cases here, especially since 45 per cent of the farmers said they had received useful information on the wheat referendum from newspapers and 51 per cent from magazines.

Farmers' Reactions to Farm Programs

Within the last decade a multitude of programs have been proposed with the objective of bringing agricultural supply and demand into balance at a level that would provide socially acceptable prices to farmers as well as to consumers. The proposals have differed greatly. Some have advocated increasing demand--foreign demand through the Food for Peace Program and

increased dollar sales, and domestic demand through the Food Stamp Plan, School Lunch Program and the development of new uses for agricultural products. Others have proposed reducing the supply by programs ranging from strict controls on production to returning to the free market.

All of these proposals have merit. Each can contribute to bringing supply and demand into balance. However, in recent years the major portion of the task has generally been left up to one or more of four basic types of farm programs. It appears that we will continue to rely upon one or a combination of these in the near future. These farm programs are

1. Mandatory supply-management programs such as the 1964 wheat program considered in the referendum.
2. Voluntary land diversion programs like the 1963 Feed Grain and Wheat Programs.
3. Voluntary whole or partial farm cropland retirement programs like the Conservation Reserve.
4. Free market without major government farm programs.

People generally agree on the desirability of bringing production in balance with demand. However, they often disagree on the methods to be used. This disagreement stems from their having different goals and values and their placing a different degree of emphasis on the various objectives of the program.

Ohioans' Preferences

In order to ascertain the preferences of Ohio farmers for these programs, questions about general farm policies were asked in the survey. Although the names of the cooperators in the study were drawn from a list of operators with 1964 wheat allotments, the sample is believed to be representative of all Ohio farmers since a very high proportion had a 1964 wheat allotment.

When asked which of the above four types of farm programs they preferred, 9 per cent of the farmers said a mandatory supply-management program such as the wheat program voted on in the May 21 referendum; 12 per cent said a voluntary whole or partial farm land retirement program such as the Conservation Reserve; 24 per cent said a voluntary land diversion program such as the 1963 Feed Grain and Wheat Programs; and 45 per cent said they preferred a free market. Ten per cent favored some combination of the above programs (Table 3).

Party Affiliation

Although the Republican and Democratic parties have differed in varying degrees on their ideas concerning farm programs, neither has marshalled unanimous consent among its members. This survey indicated that neither of the two parties has even a majority among its farm membership supporting any one of the four basic types of program.

Table 3. Farm Programs Favored by Farmers by Groupings, 354 Randomly Selected Wheat Growers in Six Ohio Counties, May 1963.

Grouping	Number Report- ing* (Number)	Basic Type of Program				
		Supply Manage- ment	Voluntary Land Diversion	Cropland Retire- ment	Free Market	Combina- tion of Others
1. All Farmers	340	9	24	12	45	10
2. Registration indicated as:						
a. Republicans	175	6	24	15	45	10
b. Democrats	96	20	30	11	30	9
c. Not registered	56	5	20	5	65	5
3. Member of:						
a. Farm Bureau	174	10	28	14	41	7
b. Grange	50	8	32	10	36	14
c. Farmers Union	5	80	20	0	0	0
d. N. F. O.	9	23	11	33	33	0
4. Vote Favored in Wheat Referendum:						
a. Yes	69	44	29	10	7	10
b. No	227	0	22	12	57	9
c. Undecided	32	6	42	12	28	12

*Sum of numbers within and between tables do not always agree because some farmers did not reply to all the questions.

Of those farmers who indicated they were registered as Democrats, 20 per cent favored the supply-management approach supported by their party. On the other hand, this is substantially more support than was given by those who indicated they were registered as Republicans, of whom there were only six per cent that favored the supply-management program. Likewise, 24 per cent of the indicated Republicans favored a voluntary land diversion program and 15 per cent favored the cropland retirement program. Thirty and 11 per cent of the respondents who indicated they were Democrats favored these respective programs.

Withdrawal of the government from agriculture and the return to a free market situation was the most frequent choice (45 per cent) of the farmers surveyed. Thirty per cent of the indicated Democrats, 45 per cent of those who responded as Republicans, and 65 per cent of those who indicated they were not registered favored this route. Fifty-five per cent favored some type of a farm program other than the free market.

Organization Membership

The survey indicated that members of the major farm organizations, like the members of the major political parties, were in many instances voting

independently from the stand taken by their national headquarters. About the same proportion of the Farm Bureau and Grange members favored each of the alternative programs even though their national headquarters had divergent views on the wheat referendum. Also neither group had a majority of their members favoring any one proposal. Only five Farmers Union members and nine N. F. O. members replied to these questions. These are not sufficient numbers to be conclusive.

Wheat Referendum

The May 21 wheat referendum gave wheat growers an opportunity to choose between two of the above programs for wheat. The "Yes" vote program was a mandatory supply-management program and the "No" vote program approached the free market alternative.

The survey indicated that when farmers had only these two alternatives from which to choose, 56 per cent or about half of those who planned to vote "Yes" actually preferred an approach other than mandatory supply-management. On the other hand, of the 77 per cent who favored the "No" vote in Ohio, almost half or 43 per cent indicated that they actually preferred a continuation of one of the voluntary programs and that their "No" vote was not a vote to return to the free market as it might appear. Of the 57 per cent who wanted to return to the free market the question must be asked, "Do they really want to return immediately or do they prefer to gradually work toward a free market?" This question remains unanswered.

Problems Remain

This study brings into focus two major problems confronting agricultural policy makers. First there is little agreement, even within farm organizations and political parties, as to which of the alternative approaches to choose. Secondly, the alternative most frequently favored--a return to the free market--is the one with the most unpredictable consequences in both the short and long run. The farmers themselves must solve the first problem. All of us must look for answers to the second.